



CITY OF SUNNYVALE REPORT Planning Commission

May 24, 2004

SUBJECT: **2002-0612 – City of Sunnyvale:** To amend Sunnyvale Municipal Code sections 19.28.050 and 19.28.100(c) and amend the Downtown Specific Plan to allow Low-Medium Density Residential (up to 14 du/acre) for specified properties on the **300 block of E. Washington and E. McKinley Avenues** where Medium Density Residential is currently permitted.

Resolution General Plan Amendment to lower the permitted densities from 24 du/acre to 14 du/acre and amend the Downtown Specific Plan to allow low-medium density residential uses and

Introduction of an Ordinance Sunnyvale Municipal Code sections 19.28.050 and 19.28.100(c) to allow low-medium density residential uses.

REPORT IN BRIEF

Existing Site Conditions Single family homes, duplexes and small multi-unit properties

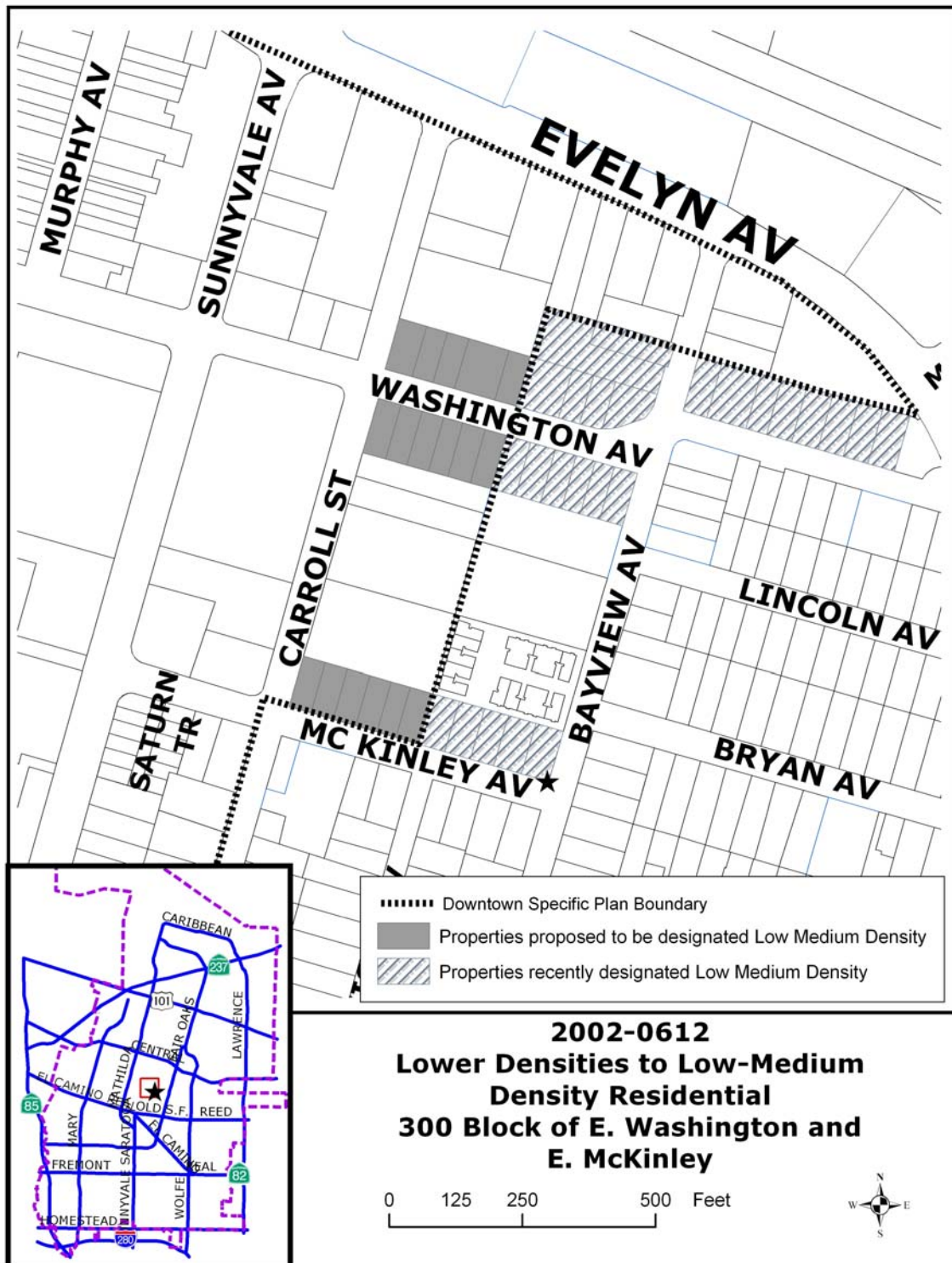
Surrounding Land Uses

| | |
|-------|--------------------------------|
| North | Self-Storage, Retail and Hotel |
| South | Residential |
| East | Residential |
| West | Retail and Residential |

Issues Compatibility with the neighborhood
Creation of non-conformities

Environmental Status Program Environmental Impact Report was certified on 06/17/03

Staff Recommendation Do not modify the General Plan, Downtown Specific Plan or Zoning to lower the permitted densities



PROJECT DATA TABLE

| | <u>EXISTING</u> | <u>PROPOSED</u> |
|---|---|--|
| General Plan | Medium Density Residential (24 du/acre) | Low-Medium Density Residential (14 du/acre) |
| Zoning District | DSP Blocks 4 and 6 | DSP Blocks 4 and 6 |
| RANGES FOR THE PROPOSED DISTRICT | | |
| Densities | 1 unit/1,800 sq. ft. generally (24 du/acre) | 1 unit/3,600 sq. ft. (14 du/acre) |
| Total Number of Units Possible in project area | 38 | 23 (-12 units) |
| Total Number of Units Existing in the area | 28 | 31 (assuming all non-conforming properties remain) |
| Lot Size (s.f.) | 8,000 sq. ft. min. allowed | Same |
| Building Height (ft.) | 30 ft. max. allowed | Same |
| No. of Stories | One and two-story structures | 2 stories max. |

ANALYSIS**Background**

This project is a part of an overall update of the Downtown Specific Plan (DSP). The update made a series of land use, density and development regulation changes for properties in and adjacent to the DSP. One aspect of the plan was to lower permitted densities in outlying areas of the DSP such as the 300 blocks of Washington and McKinley Avenues (the subject properties). The reduced densities and heights were intended to maintain existing neighborhood character. The General Plan was amended in June 2003 to reduce densities for the subject properties from the previous designation of High Density Residential under the 1993 plan to a "townhouse density" of Medium Density Residential, or up to 24 du/acre.

Concurrently with this action, the City Council requested a Rezoning action for the properties immediately to the east of the DSP boundary (the eastern adjacent sites), adjacent to the subject properties. (The Downtown Specific Plan

boundary bisects the 300 block of Washington and McKinley as shown on the map on page 2.) Council action reduced the permitted densities for the eastern adjacent sites, bringing the zoning from the previous R-3/PD (Medium Density/Planned Development) Zoning District to an R-2/PD (Low-Medium Density/Planned Development) Zoning District (approximately 12 du/acre).

At the public hearing on the Rezoning action for the eastern adjacent sites, a neighbor expressed a desire for the entire 300 block of Washington Avenue to have a consistent permitted density. The Council directed staff to return with a rezoning study considering lower permitted densities for the subject properties consistent with the eastern adjacent sites (See Attachment 5, City Council Minutes of 2/10/04).

Previous Actions on the Site: The following table summarizes previous planning applications related to the subject site.

| File Number | Brief Description | Hearing/ Decision | Date |
|-------------|---|--|----------|
| 2002-0612 | Rezone eastern adjacent sites from R-3/PD to R-2/PD | City Council Approved | 2/10/04 |
| 2002-0612 | Adopt Downtown Specific Plan and Zoning Code Amendments | City Council Approved | 10/14/03 |
| 2002-0612 | Certify the Program EIR and adopt an amended General Plan for the Downtown Specific Plan area | City Council Approved | 06/17/03 |
| 2002-0064 | Construction of 9 condominiums at 317 and 321 E. Washington Avenue at approximately 24 du/acre. | Planning Commission Approved <i>(This project is in building plan check review)</i> | 3/02/02 |
| 2001-0581 | Construction of 17 condominiums | Planning Commission Denied due to compatibility concerns | 10/22/01 |
| 1993 | Downtown Specific Plan was adopted allowing High Density Residential on the subject properties | City Council Approved | 1993 |

Description of Proposed Project

The project proposal would reduce permitted densities for the specified areas within Blocks 4 and 6 of the Downtown Specific Plan.

Environmental Review

As part of the Downtown Improvement Program Update, the City prepared a Program Environmental Impact Report ("the Program EIR") pursuant to the California Environmental Quality Act ("CEQA") to consider and analyze the environmental impacts related to the Project, including adoption of amendments to the Land Use and Transportation Element of the General Plan, the Downtown Specific Plan and the Zoning Code. The Program EIR was certified by the Council at its June 17, 2003 meeting (Resolution No. 123-03), where Council found that it presented an adequate and extensive assessment of the environmental impacts of the Project, and adopted a Statement of Overriding Considerations related to certain impacts on traffic and air quality, and adopted a Mitigation Monitoring Program. The proposed General Plan amendment, Specific Plan Amendment and Rezoning action is a component of and consistent with the Project analyzed in the Program EIR; therefore, no additional review is required.

Discussion

Change Under Consideration: The project proposal is to reduce permitted densities from 24 du/acre to 14 du/acre for properties within Blocks 4 and 6 of the Downtown Specific Plan that front Washington and McKinley Avenues. This requires amending the General Plan, Specific Plan and the Sunnyvale Municipal Code.

Objective: To reduce permitted densities to be compatible with the zoning designation for adjacent properties to the east.

Present Site Conditions: Properties in this area consist primarily of small single family homes and duplexes. Many of the properties are currently built to medium density.

Pending Developments: In 2002, a 9-unit condominium project was approved at approximately 24 du/acre at 321 E. Washington Avenue. This project is currently in building plan check. As long as construction commences before March 11, 2005, the approval for this project is still valid. Reduction of permitted density in this area would render the pending project *legal nonconforming*. A legal nonconforming status for residential properties would eliminate the possibility for further additions, but the use may be continued.

Nearby Densities: As discussed in the Background section, the properties to the east were rezoned to permit Low-Medium density uses. Properties to the north of the subject properties and between the subject properties on Carroll and Washington are currently allowed to construct up to 36 du/acre..

Discussion: This project affects a 1.75-acre area made up of 17 properties with approximately 4,200 sq. ft. lots. Current uses are a combination of single family homes, duplexes and a church. Currently 9 of the 17 properties are developed or approved for medium density (See Attachment 5, Map of Residential Densities). The current designation allows up to 38 units. If all property were to redevelop in accordance with the Low-Medium density designation, a total of 23 units could be achieved. The existing number of units is 28, already exceeding the Low-Medium Density maximum. If all non-conforming properties were to remain developed at their current levels, a Low-Medium Density designation would decrease the total number of allowable units to 31.

COMPARISON OF TOTAL DWELLING UNITS POSSIBLE

| Area | Existing Units | Existing Medium Density (24 du/acre) | Proposed Low Density (14 du/ acre) | Proposed Low-Density with Non-conformities |
|---------------------------------|----------------|--------------------------------------|------------------------------------|--|
| North Side of Washington | | | | |
| Church | 0 | 2 | 1 | 1 |
| Townhomes* | 9 | 8 | 5 | 9 |
| Single Family Home | 1 | 2 | 1 | 1 |
| South Side of Washington | | | | |
| 6 single family homes | 6 | 13 | 8 | 8 |
| North Side of McKinley | | | | |
| 6 duplexes | 12 | 13 | 8 | 12 |
| TOTAL | 28 | 38 | 23 | 31 |

* Pending building permits

While it is unusual to have different zoning districts within the same block frontage and zoning consistency is typically a desirable goal, in this case staff does not recommend a Low-Medium Density designation for the subject properties for two reasons. First, staff does not believe the lowered density would fundamentally reduce impacts associated with residential redevelopment, such as building height, setback, and vehicular trips. The change in permitted units is so small it would not make a substantial difference in neighborhood character. Second, this reduction in density would render 9 of the 17 properties non-conforming, as they are currently built at

medium density. Lenders have indicated reluctance to issue loans on non-conforming properties. A non-conforming property is not able to add square footage and is more limited in the redevelopment of the site. This non-conformity could inhibit future redevelopment of the properties. For these reasons, staff recommends that these properties remain at a Medium Density designation and no further action is taken.

Expected Impact on the Surroundings

This action would have no further impact on the surrounding area.

Findings and General Plan Goals

Staff was not able to make the required Findings based on the justifications for the General Plan Amendment, Rezone and Amendment to the Specific Plan. If the Planning Commission is able to make the findings, the appropriate Resolution and Ordinance is found in Attachments 3 and 4.

- Findings and General Plan Goals are located in Attachment 1.

Fiscal Impact

No fiscal impacts other than normal fees and taxes are expected.

Public Contact

A letter was sent to affected property owners prior to the formal notice of public hearing. This letter explained the rezoning study in detail and encouraged property owners to contact staff regarding any questions or concerns they may have. Staff has not received any comments.

| Notice of Public Hearing | Staff Report | Agenda |
|---|--|--|
| <ul style="list-style-type: none"> • Published in the <i>Sun</i> newspaper • Posted on the site • Mailed 130 notices to the property owners and tenants within 300 ft. of the project site | <ul style="list-style-type: none"> • Posted on the City of Sunnyvale's Website • Provided at the Reference Section of the City of Sunnyvale's Public Library | <ul style="list-style-type: none"> • Posted on the City's official notice bulletin board • City of Sunnyvale's Website • Recorded for SunDial |

Alternatives

1. Do not adopt the proposed Resolutions and do not introduce an Ordinance to amend the Sunnyvale Municipal Code.
2. Adopt a Resolution to approve the General Plan and Specific Plan Amendments and introduce an Ordinance to make amendments to the Sunnyvale Municipal Code to permit Low-Medium Densities for the subject properties.

Recommendation

Recommend Alternative 1 to the City Council.

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Reviewed by:

Trudi Ryan
Planning Officer

Attachments:

1. Recommended Findings
2. Draft General Plan and Specific Plan Resolution (if the Findings can be made)
3. Draft Ordinance to amend the Sunnyvale Municipal Code (if the Findings can be made)
4. Excerpt from City Council Minutes of February 10, 2004
5. Map of Residential Densities

Recommended Findings – General Plan, Specific Plan and Zoning Code Amendments

This change is not in the public interest as it would create non-conforming densities for at least 50% of the affected properties. The non-conforming status can be a burden to property values and inhibits renovation and redevelopment. Staff does not recommend lowering permitted densities in this area.